

SUMMARY MINUTES

ABAG Finance Committee Meeting
Thursday, January 18, 2018
Bay Area Metro Center
375 Beale Street, Board Room
San Francisco, California

1. CALL TO ORDER / ROLL CALL / CONFIRM QUORUM

ABAG Finance Committee Vice Chair Greg Scharff, Councilmember, City of Palo Alto, called the meeting to order at about 5:00 p.m.

A quorum of the Committee was present at about 5:00 p.m.

Members Present

Greg Scharff, Councilmember, City of Palo Alto—*Vice Chair*
David Cortese, Supervisor, County of Santa Clara
Pradeep Gupta, Councilmember, City of South San Francisco
Scott Haggerty, Supervisor, County of Alameda
Erin Hannigan, Supervisor, County of Solano
Julie Pierce, Councilmember, City of Clayton—*Ex officio*
David Rabbitt, Supervisor, County of Sonoma—*Ex officio*

Members Absent

Karen Mitchoff, Supervisor, County of Contra Costa—*Chair*
Annie Campbell Washington, Councilmember, City of Oakland
Cindy Chavez, Supervisor, County of Santa Clara

Staff Present

Steve Heminger, MTC Executive Director
Adrienne Weil, MTC General Counsel
Alix Bockelman, MTC Deputy Executive Director, Policy
Brad Paul, MTC Deputy Executive Director, Local Government Services
Courtney Ruby, MTC Administration and Facilities Director
Sonia Elsonbaty, MTC Finance
Russell Yuen, MTC Finance
Denise Rodriguez, MTC Contract Compliance Manager

2. ELECTION OF COMMITTEE CHAIR AND VICE CHAIR FOR 2018 AND DESIGNATION OF TERM OF OFFICE

Steve Heminger, MTC Executive Director, reported that the ABAG Finance Committee elects its Chair and Vice Chair at the first meeting of the year for the 2018 term. The results will be ratified by the ABAG Executive Board.

Vice Chair Scharff called for nominations for Chair and Vice Chair. Karen Mitchoff, Supervisor, County of Contra Costa was nominated for Chair. Erin Hannigan, Supervisor, County of Solano, was nominated for Vice Chair. Mitchoff was unanimously elected Chair. Hannigan was unanimously elected Vice Chair.

3. PUBLIC COMMENT

There was no public comment.

4. COMMITTEE ANNOUNCEMENTS

There were no committee member announcements.

5. APPROVAL OF ABAG FINANCE AND PERSONNEL COMMITTEE SUMMARY MINUTES OF MEETING ON NOVEMBER 16, 2017

Vice Chair Scharff recognized a motion by Julie Pierce, Councilmember, City of Clayton, which was seconded by Pradeep Gupta, Councilmember, City of South San Francisco, to approve the ABAG Finance and Personnel Committee summary minutes of the meeting on November 16, 2017.

Hannigan commented on the description of individuals in the minutes.

There was no public comment.

The aye votes were: Gupta, Haggerty, Hannigan, Pierce, Rabbitt, Scharff.

The nay votes were: None.

Abstentions were: None.

Absent were: Campbell Washington, Chavez, Cortese, Mitchoff.

The motion passed unanimously.

6. REPORT ON FINANCIAL STATEMENTS FROM JULY TO OCTOBER 2017 (UNAUDITED)

Sonia Elsonbaty, MTC Finance, gave the staff report on the Financial Statements from July to October 2017 (Unaudited). As of October 31, 2017, total revenue for the first four months of the fiscal year amounted to \$18.3 million, exceeding the expenses total of \$10.5 million. Earned premiums and grant revenue are the largest revenue sources at 73% of total revenue. There were no contracts approved between \$20,000 and \$50,000 from July to October 2017.

Vice Chair Scharff recognized a motion by Pierce, which was seconded by Hannigan, to accept the staff report.

There was no discussion.

There was no public comment.

The aye votes were: Gupta, Haggerty, Hannigan, Pierce, Rabbitt, Scharff.

The nay votes were: None.

Abstentions were: None.

Absent were: Campbell Washington, Chavez, Cortese, Mitchoff.

The motion passed unanimously.

7. REPORT ON INVESTMENTS FOR NOVEMBER 2017

Russell Yuen, MTC Finance, gave the staff report on the Investment Report for November 2017. As of November 30, 2017, total funds under ABAG management are just under \$75 million. Seventy percent of the current portfolio consists of assets owned by the PLAN and SHARP operations. The PLAN and SHARP assets will be transferred to a new administrator subject to a new operating agreement; staff is in the process of completing this transfer.

Vice Chair Scharff recognized a motion by Hannigan, which was seconded by Pierce, to accept the staff report.

There was no discussion.

There was no public comment.

The aye votes were: Gupta, Haggerty, Hannigan, Pierce, Rabbitt, Scharff.

The nay votes were: None.

Abstentions were: None.

Absent were: Campbell Washington, Chavez, Cortese, Mitchoff.

The motion passed unanimously.

8. REPORT ON AUDITED FINANCIAL REPORTS FOR FY 2016-17

Courtney Ruby, MTC Administration and Facilities Director, gave the staff report on the Audited Financial Reports for FY 2016-17. ABAG's independent auditors, Maze and Associates, issued an unqualified opinion on the ABAG financial statements. ABAG's financial statements present fairly, in all material respects, the financial position of ABAG at June 30, 2017 and the financial transactions for the fiscal year July 1, 2016 through June 30, 2017. The Single Audit Report does not contain any findings of questioned costs or failures of ABAG to comply with federal regulations that might result in a disallowance of significant costs claimed on federal grants. The auditors did not identify any deficiencies in internal controls that they considered to be material weaknesses.

Vice Chair Scharff recognized a motion by Pierce, which was seconded by Hannigan, to accept the staff report.

There was no discussion.

There was no public comment.

The aye votes were: Gupta, Haggerty, Hannigan, Pierce, Rabbitt, Scharff.

The nay votes were: None.

Abstentions were: None.

Absent were: Campbell Washington, Chavez, Cortese, Mitchoff.

The motion passed unanimously.

9. APPROVAL OF CONTRACT—BUSINESS INSURANCE BROKER, CONSULTATION THIRD PARTY INSURANCE CERTIFICATE MANAGEMENT SERVICES—USI INSURANCE SERVICES

Denise Rodriguez, MTC Contract Compliance Manager, gave the staff report on the contract for business insurance broker, consultation third party insurance certificate management services with USI Insurance Services.

Vice Chair Scharff recognized a motion by Hannigan, which was seconded by Gupta, to accept the staff report and to recommend Executive Board approval of the contract for business insurance broker, consultation third party insurance certificate management services with USI Insurance Services.

There was no discussion.

There was no public comment.

The aye votes were: Cortese, Gupta, Haggerty, Hannigan, Pierce, Rabbitt, Scharff.

The nay votes were: None.

Abstentions were: None.

Absent were: Campbell Washington, Chavez, Mitchoff.

The motion passed unanimously.

10. ADJOURNMENT

Vice Chair Scharff adjourned the meeting of the Finance Committee at about 5:16 p.m.

The next meeting of the Finance Committee will be on March 15, 2018.

Submitted:

/s/ Fred Castro, Clerk of the Board

Date Submitted: January 29, 2018

Date Approved: March 15, 2018

For information, contact Fred Castro, Clerk of the Board, at (415) 820 7913 for fcastro@bayareametro.gov.